Annual Report

1998-1999

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British Columbia Assets & Land Corporation

An agency of the government of British Columbia

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British Columbia Assets and Land Corporation Offices

mandate

To issue and manage British Columbia government tenures on Crown lands, market Crown land throughout British Columbia and seek partnership arrangements and/or sell other Crown assets.

British Columbia Assets & Land Corporation

An agency of the government of British Columbia

100-07122/

MESSAGE FROM THE MINISTER

In 1998/99, the Government of British Columbia created the British Columbia Assets and Land Corporation (BCAL) as a special agency of government dedicated to making Crown land and assets available for environmentally responsible economic growth and public benefit.

To achieve this mandate, BCAL works closely with industry, communities and government agencies to find innovative ways to create jobs and diversify the province's economy. By working with community groups and other levels of government, BCAL balances the need for economic development with careful stewardship of Crown land and assets.

During this period, the corporation marked some important milestones. Among these achievements, BCAL participated in the expansion of the province's shellfish industry, supporting the economic development of coastal communities. Major progress was also made in streamlining the approval of commercial recreation tenures.

On behalf of the government, the British Columbia Assets and Land Corporation successfully completed negotiations with MacDonald Dettwiler and Associates to define a BC Online partnership agreement. The negotiated agreement includes a $55 million business acquisition fee for the province and is expected to create 2,000 new jobs in B.C. over a ten-year period.

During 1998/99 BCAL worked to support the economic diversification of the province by embarking on an ambitious program to reduce the backlog of Crown land tenure applications. As a result of its efforts BCAL processed a record number of tenure applications – 3,489 tenure applications in all – thereby reducing the backlog by fifty per cent and supporting thousands of economic development activities throughout B.C.

With continued support from the B.C. government, the tourism and recreation sectors of the economy experienced strong growth. The ski industry performed particularly well continuing a 20-year expansion. An estimated $100 million of new money was invested during the year to expand ski capacity in B.C. This trend is expected to continue as several new proposals now before BCAL to develop ski areas near the end of the approval process – a process which includes some of the strongest environmental safeguards in North America.

I look forward to further achievements in 1999/2000 as the corporation continues working hard on its objectives of responsible economic development and community revitalization.

Honourable Corky Evans
Minister

MESSAGE FROM THE CHAIR, PRESIDENT & CHIEF EXECUTIVE OFFICER

1998/99 was a year of tremendous growth and change for the British Columbia Assets and Land Corporation. At the beginning of the year, we were a relatively small Crown company dedicated solely to the development and marketing of Crown land throughout the province of British Columbia. By year-end, our mandate had been significantly expanded and our staff had increased significantly with the integration of the Land Management Division from the Ministry of Environment, Lands and Parks and the Assets Disposition Division from Treasury Board, Ministry of Finance and Corporate Relations.

Our challenge was to bring about a more efficient approach to managing Crown land tenures and applications and to marketing Crown assets and land on behalf of the government of British Columbia.

We successfully met our challenge by creating an efficient and effective organization dedicated to the responsible management and disposition of Crown assets and land. To achieve our goal, we implemented a number of corporate process improvements to increase our productivity and turnaround times for Crown land business, while maintaining the existing level of due diligence in ensuring that we are meeting our obligations to consult with First Nations and representing environmental interests in the disposition of public resources. And, we undertook a comprehensive organizational redevelopment to determine the best possible structure and staffing component for the purpose of achieving our mandate.

Our accomplishments for the year 1998/99 were all the greater when it is understood that our achievements were made in an environment of significant expansion. We not only met our business goals, we also successfully integrated two new business divisions and developed our organization into a highly specialized agency of government ready to serve British Columbians through the responsible management of Crown assets and land.

It is important that I recognize the contributions of Mr. Lorne Seitz, President, Chair and Chief Executive Officer of the British Columbia Assets and Land Corporation during the fiscal year 1998/99, which are appreciated. Mr. Seitz successfully led BCAL through this year of transition and laid the foundation for a strong corporate performance in 1999/2000.

Cassie Doyle
President, Chair and Chief Executive Officer

CORPORATE PROFILE

MANDATE

The BC government established the British Columbia Assets and Land Corporation (BCAL) as a Crown corporation with a focused mandate:

To issue and manage tenures on Crown land, develop and market surplus Crown land and develop partnership arrangements and new business structures involving other Crown assets on behalf of the government of British Columbia.

The government originally conceived of the Crown company in 1983 for the purpose of developing and marketing Crown land in the Village of Whistler. At that time it was known as the Whistler Land Corporation Ltd.

In 1997, the provincial government expanded the role of the company to develop and market Crown land throughout British Columbia and renamed the company W.L.C. Developments Ltd. The development and marketing staff of the Crown Lands Branch, Ministry of Environment, Lands and Parks was seconded to W.L.C. to create a single development and marketing organization. Responsibility for the sale of other government assets such as vehicle fleets and information systems was added in 1998. In June of that year, the company was renamed the British Columbia Assets and Land Corporation in recognition of its expanded role.

In October 1998, the provincial government again broadened BCAL's mandate to include responsibility for managing tenures on provincial Crown land. These tenures range from agriculture leases to commercial ski resorts. There are currently 30,000 such tenures in British Columbia. BCAL receives and processes thousands of applications for renewals or new tenures each year. The responsibilities were further modified through a delegation agreement to provide BCAL with the delegated authority for the disposition and administration of Crown lands, in accordance with land-use policies set by the Ministry of Environment, Lands and Parks. As a Crown company, BCAL has been conceived in its current form to support economic development throughout the province of British Columbia.

FINANCIAL RESULTS

An integral part of BCAL's mandate is to raise revenues for the province through the sale of Crown land, tenure management and the sale of government assets and business partnership ventures.

In 1998/99, BCAL's gross revenue from land sales was $47.94 million. Revenues from land tenures were $28.33 million. Excluding the BC Online partnership arrangement (to be signed in early the 1999/2000 fiscal year) revenues from asset dispositions was $63.00 million.

STRUCTURE

The British Columbia Assets and Land Corporation is incorporated under the Company Act of British Columbia. The sole shareholder is the Province of British Columbia with the Minister of Finance and Corporate Relations holding the issued share on behalf of the province. BCAL's structure as a Crown company facilitates management flexibility and responsiveness to clients.

BCAL's financial and operational accountability is to the Minister of Finance and Corporate Relations. It reports to a nine-member Board of Directors comprised of several deputy ministers and the President and Chief Executive Officer of BCAL. The Board is appointed annually by the Minister of Finance and Corporate Relations.

BCAL has offices located in nine cities including Cranbrook, Fort St. John, Kamloops, Nanaimo, Prince George, Smithers, Surrey, and Williams Lake. BCAL's executive and corporate support staff is located in Victoria.

FUNCTION

The British Columbia Assets and Land Corporation has become a specialized agency of the provincial government dedicated to the management and disposition of Crown land and assets. BCAL was created in its current form to bring more focus and resources to: the management of current Crown land tenures and new applications; the development and marketing of Crown lands; and, the business evaluations of major government assets and related operations to determine opportunities to increase value to the taxpayer. All of these tasks must be undertaken in a manner that addresses investment, community development and job creation objectives. BCAL carries out these business activities on behalf of the government of British Columbia.

BCAL supports the provincial economy by facilitating a variety of residential, commercial, industrial and recreational uses of Crown lands and assets. Crown assets and land are allocated based on their highest and best use generating the greatest number of benefits for all British Columbians while understanding that these resources are limited and valuable. These decisions are made with input from other government agencies such as the Ministry of Environment, Lands and Parks and the Ministry of Forests. Economic indicators, social requirements and land and asset capability are analyzed by BCAL to determine the most beneficial use of the resources it manages on behalf of the province.

FUNDING

The British Columbia Assets and Land Corporation is a self-funding government organization requiring no appropriation of government funds. BCAL pays all of its expenses out of earned revenues. The annual budget is based on anticipated revenue and operational expectations for the upcoming fiscal year. Accumulated financial surpluses not required for future operations are forwarded to government's Consolidated Revenue Fund as a dividend.

The corporation's accounts are kept in accordance with the guidelines established through the method of Generally Accepted Accounting Principles. In addition, the Auditor General of British Columbia audits the corporation's accounts annually.

EXPANDING THE MANDATE

1988/99 was a year of expansion. The mandate of the British Columbia Assets and Land Corporation was expanded significantly to include responsibility for managing Crown land tenures throughout the province as well as the disposition of Crown assets.

1998/99 IN REVIEW

The provincial government transferred administration of Crown land tenures from the Ministry of Environment, Lands and Parks to the government-owned BC Assets and Land Corporation. The details and terms of the transfer of responsibilities are set out in the *Land Delegation Agreement* signed October 1998. The new delegation agreement incorporates the existing development and marketing function with the more recent delegation of tenure management. This was done to improve efficiency of operations and to address the economic development potential on Crown lands. The delegation will bring about changes that speed turnaround time for Crown land business, while maintaining the existing level of due diligence over public resources. The new arrangement will also create more management flexibility, allowing greater responsiveness to clients.

BCAL already managed the sale of Crown lands and other government assets on behalf of the government. Authority to manage the disposition of Crown assets was set out in the *Asset Disposition Agreement* also signed in 1998.

IMPROVING THE CORPORATE STRUCTURE

Subsequent to the provincial government's decision to expand BCAL's mandate, staff responsible for managing Crown land tenures were initially seconded or "loaned" from the Ministry of Environment, Lands and Parks to the British Columbia Assets and Land Corporation. By fiscal year-end, at March 31, 1999, plans were underway to convert BCAL to a "schedule A" company under the Public Service Act and to convert all seconded staff to permanent employees at BCAL. The integration of ministry staff with BCAL's existing organization and the implementation of service arrangements with other government ministries necessitated an expansion and remodeling of BCAL's corporate organization structure to support the effective delivery of BCAL's mandate.

Improvements to the corporate structure were also undertaken at this time. BCAL was reorganized into functional business units to increase the efficiency of program delivery throughout the organization and improve customer service.

PROJECT HIGHLIGHTS

The British Columbia Assets and Land Corporation undertook numerous successful projects during the fiscal year 1998/99. Some of the highlights include the following projects:

BC Online Public-Private Partnership Program

The British Columbia Assets and Land Corporation completed negotiations with MacDonald Dettwiler and Associates (MDA) to define a BC Online partnership agreement. Legal documents finalizing the agreement and implementation of the agreement will commence during the fiscal year 1999/2000. MDA was the leading proponent of a Request for Proposals issued by the government in August of 1997 to identify a suitable partner for BC Online.

The province received an up-front business acquisition fee of $55 million and provisions for economic sharing and royalties on new products.

Once implemented, MDA expects the negotiated agreement to produce approximately 2,000 new jobs in British Columbia over a 10-year period associated with the growth of BC Online and related businesses.

PROJECT HIGHLIGHTS CONTINUED

Commercial Recreation Program

BCAL implemented a new Commercial Recreation policy approved by the province of British Columbia in 1998. The Commercial Recreation Program defines the terms by which a person or organization can license the use of Crown land for commercial recreational purposes. Essentially the program provides a business venture the opportunity to engage in a long-term tenure at guaranteed rates in exchange for the fulfillment of specified stewardship responsibilities related to the tenure of the land. The program has been designed to encourage economic development opportunities on Crown land in British Columbia.

Backlog Reduction of Tenure Applications

BCAL established a target of reducing the backlog of new and renewable tenure applications by 50% from approximately 3,200 to 1,600 by the 12 month period ending April 30, 1999. In 1996, when the Land Management Division was still part of the Ministry of Environment, Lands and Parks, staff was reduced by 40% as part of a larger cost cutting program in the Ministry. As a consequence of this reduction program, a significant backlog of tenure applications developed. BCAL developed a plan to take immediate corrective action. Understanding the impact of the land tenure system on the level of economic activity in the province, BCAL aggressively worked to meet the established target. By fiscal year end, BCAL had successfully reduced the backlog by 67%, exceeding its original target.

Songhees Area Marketing Project

On behalf of the government of British Columbia, BCAL engaged in a comprehensive project to prepare to market Crown land in the Songhees area of Victoria. BCAL will organize the marketing of approximately 7.8 acres comprised of four legal lots to be subdivided for residential purposes. The completion of this project is anticipated in 1999/2000.

University Hill Village

BCAL undertook preparations to market Crown land in the University Village of the University Endowment Lands known as Block 97. As part of the development project, the Crown land will be rezoned and subdivided to create comprehensive development opportunities. The redevelopment of the land is ultimately expected to create a number of community benefits including:

1. The dedication of the adjacent Block 98 as a "public Park" in perpetuity, along with $250,000 of new on-site improvements.
2. Provision of a Community Village Space 'rent-free' to non-profit groups.
3. Increased parking options.
4. Upgrading of off-site infrastructure such as roads, walkways, sewers and other utilities.

April 1, 1998 to March 31, 1999

BRITISH COLUMBIA ASSETS & LAND CORPORATION
(Formerly W.L.C. Developments Ltd.)

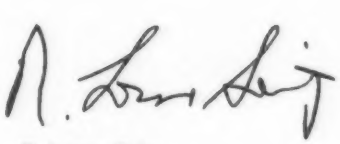
FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1999

MANAGEMENT'S RESPONSIBILITY FOR FINANCIAL REPORTING

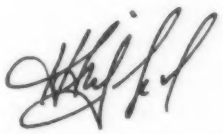
The financial statements of British Columbia Assets and Land Corporation have been prepared by management in accordance with generally accepted accounting principles. The financial statements present fairly the financial position of the company as at March 31, 1999 and the results of its operations and the changes in its financial position for the year then ended.

Management is responsible for the integrity of the financial statements and has established systems of internal control to provide reasonable assurance that assets are safeguarded, transactions are properly authorized and financial records are properly maintained to facilitate the preparation of reliable financial statements in a timely manner.

The Auditor General of British Columbia has performed an independent audit of British Columbia Assets and Land Corporation. The Auditor's Report outlines the scope of this independent audit and expresses an opinion of the financial statements of British Columbia Assets and Land Corporation.



R. Lorne Seitz
Chair, President & CEO



H.F. (Hugh) Wilzewski, CA
Director, Corporate Services

Report of the Auditor General of British Columbia

To the Shareholder of British Columbia Assets and Land Corporation:

I have audited the balance sheet of the *British Columbia Assets and Land Corporation* (formerly W.L.C. Developments Ltd.) as at March 31, 1999 and the statements of operations and retained earnings and cash flows for the year then ended. These financial statements are the responsibility of the Company's management. My responsibility is to express an opinion on these financial statements based on my audit.

I conducted my audit in accordance with generally accepted auditing standards. Those standards require that I plan and perform an audit to obtain reasonable assurance whether the financial statements are free of material misstatement. An audit includes examining, on a test basis, evidence supporting the amounts and disclosures in the financial statements. An audit also includes assessing the accounting principles used and significant estimates made by management, as well as evaluating the overall financial statement presentation.

In my opinion, these financial statements present fairly, in all material respects, the financial position of the *British Columbia Assets and Land Corporation* as at March 31, 1999 and the results of its operations and cash flows for the year then ended in accordance with generally accepted accounting principles. As required by the Company Act of British Columbia, I report that, in my opinion, these principles have been applied on a basis consistent with that of the preceding year.

Victoria, British Columbia
May 21, 1999

BRITISH COLUMBIA ASSETS & LAND CORPORATION
(Formerly W.L.C. Developments Ltd.)

BALANCE SHEET
AS AT MARCH 31, 1999

	1999	1998
ASSETS	**$**	**$**
Current assets		
Cash	886,035	1,142,277
Temporary Investments (Note 3)	8,093,873	14,536,399
Accounts receivable	921,080	641,027
Due from the Province of British Columbia	1,193,965	-
Work-in-progress	5,442,041	270,678
	16,536,994	16,590,381
Property held for sale	16,000	16,000
Capital assets (Note 4)	172,251	126,849
	16,725,245	**16,733,230**
LIABILITIES		
Accounts payable & accrued liabilities	745,730	238,148
Due to the Province of British Columbia	-	670,188
	745,730	908,336
SHAREHOLDER'S EQUITY		
Share capital	1	1
Contributed surplus	13,277,721	13,277,721
Retained earnings	2,701,793	2,547,172
	15,979,515	15,824,894
Funds held on behalf of the Province of British Columbia (Note 7)		
Contingent liabilities (Note 11)		
	16,725,245	**16,733,230**

The accompanying notes are an integral part of these financial statements.

Approved by the Board:

Director

Director

BRITISH COLUMBIA ASSETS & LAND CORPORATION
(Formerly W.L.C. Developments Ltd.)

STATEMENT OF OPERATION AND RETAINED EARNINGS
FOR THE YEAR ENDED MARCH 31, 1999

	1999	1998
REVENUES	**$**	**$**
Land and project sales (Note 5)	-	2,557,998
Fees (Note 6)	15,255,858	1,367,689
Recoverable costs	534,707	137,898
Interest earned (Note 7)	849,658	608,780
Other revenue	138,447	21,491
	16,778,670	4,693,856
EXPENSES		
Cost of sales (Note 5)	-	1,333,036
Salaries & benefits	10,868,038	1,225,361
Contract services	1,458,974	121,067
Telecommunication and systems	1,334,093	41,882
Professional services	822,393	280,907
Rent	787,769	65,420
Administration	682,909	98,971
Project costs	607,542	137,898
Amortization	62,331	20,416
	16,624,049	3,324,958
NET INCOME FOR THE YEAR	154,621	1,368,898
RETAINED EARNINGS - BEGINNING OF YEAR	2,547,172	1,178,274
RETAINED EARNINGS - END OF YEAR	**2,701,793**	**2,547,172**

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA ASSETS & LAND CORPORATION
(Formerly W.L.C. Developments Ltd.)

STATEMENT OF CASH FLOWS
FOR THE YEAR ENDED MARCH 31, 1999

	1999	1998
CASH FLOWS FROM OPERATING ACTIVITIES	**($)**	**($)**
Net income	154,621	1,368,898
Items not affecting cash -		
Amortization of capital assets	62,331	20,416
Allocation of land costs from property held for sale	-	1,333,036
Allocation of land costs from work-in-progress	-	137,898
Changes in non-cash operating items -		
Property held for sale	-	(121,488)
Work-in-progress	(5,171,364)	(408,575)
(Increase) Decrease in accounts receivable	204,226	(624,894)
(Increase) Decrease in due to/from the Province	(1,193,965)	670,188
(Increase) in equipment	(107,733)	(147,266)
(Increase) Decrease in prepaid expenses	4,619	(8,453)
Increase (Decrease) in accounts payable	(651,503)	213,984
NET INCREASE (DECREASE) IN CASH	(6,698,768)	2,433,744
CASH & CASH EQUIVALENTS - BEGINNING OF YEAR	15,678,676	13,244,932
CASH & CASH EQUIVALENTS - END OF YEAR	**8,979,908**	**15,678,676**

Cash and cash equivalents consist of cash and temporary investments.

The accompanying notes are an integral part of these financial statements.

BRITISH COLUMBIA ASSETS & LAND CORPORATION
(Formerly W.L.C. Developments Ltd.)

NOTES TO THE FINANCIAL STATEMENTS
FOR THE YEAR ENDED MARCH 31, 1999

1. The Corporation

British Columbia Assets and Land Corporation, wholly owned by the Province of British Columbia, (the "Corporation") in its original form was incorporated under the *Company Act* of British Columbia, on January 5, 1983, as the Whistler Land Corporation Ltd. with a specific mandate to sell surplus Crown land at the Village of Whistler. In 1997, the Provincial Government expanded the role of the company to develop and market Crown land throughout British Columbia and renamed the company W.L.C. Developments Ltd. Effective June 1, 1998, the Corporation name changed o British Columbia Assets and Land Corporation to reflect the newly assigned responsibility for the disposition of Crown assets.

The Corporation's three major divisions and principal objectives are:

- Land Sales Division - develop and market Crown lands on behalf of the Province of British Columbia
- Land Management Division - administer Crown land tenures on behalf of the Province of British Columbia
- Asset Disposition Division - manage the marketing of, or public/private partnership arrangements concerning, major government assets or operations on behalf of the Province of British Columbia

The Corporation is exempt from federal and provincial income taxes.

2. Significant accounting policies

Financial statements are prepared in accordance with generally accepted accounting principles.

Temporary investments consist of units in Province of British Columbia Pooled Investment Portfolios. Units are carried at the lower of cost adjusted by income attributed to the units, and market value. Income attributed to the units represents the unitholder's share of interest earned by the Portfolio and may be realized upon sale of units.

Work-in-progress represents eligible development and marketing expenses incurred to promote the sale of designated Crown land and major government assets. These expenses are recoverable when the Crown land or assets are sold or other arrangements made. Operating or administrative expenses of the Corporation are excluded.

Property held for sale represents Whistler, British Columbia landholdings and improvements recorded at the lower of cost and estimated net realizable value.

Capital assets are recorded at cost and amortized on a straight-line basis over their estimated useful lives. Assets costing less than $1,000 are expensed in the year purchased.

Computer equipment and software	-three years
Furniture and equipment	-five years
Leasehold improvements	-over the term of the lease

Fees are recognized from:

- land sales when all material requirements related to the transactions have been met and the appropriate cash down payment or appropriate security has been received;
- Crown land tenures when the tenures are invoiced; and
- government asset sales in accordance with the contractual obligation for the sale of the asset.

Measurement Uncertainty The preparation of financial statements in conformity with generally accepted accounting principles requires management to make estimates and assumptions that affect the reported amounts and disclosures of work-in-progress at the date of the financial statements. Actual results could differ from these estimates.

3. Temporary investments

	1999	1998
Cost	$8,093,873	$14,536,399
Unrealized gain (loss)	9,619	(8,168)
Market Value	**$8,103,492**	**$14,528,231**

4. Capital assets

	1999			1998
	Cost	Accumulated Amortization	Net	Net
Computer equipment and software	$190,634	$75,945	$114,689	$116,673
Furniture and equipment	58,886	4,976	53,910	5,428
Leasehold improvements	5,478	1,826	3,652	4,748
	$254,998	**$82,747**	**$172,251**	**$126,849**

The Corporation has had the use of certain assets belonging to the Ministry of Environment, Lands and Parks during the year. As at March 31, 1999, no formal transfer of these assets has taken place and therefore these assets are not reflected in these statements.

5. Land and project sales

The principal objective of the Corporation prior to October 1, 1997 was to develop and market landholdings in Whistler. This revenue and associated cost of sales represents the sale of the remaining landholdings in Whistler except for the amounts reported as property held for sale.

6. Fees

	1999	1998
Land Sales	$ 2,907,363	$1,367,689
Land Management	12,292,113	-
Asset Disposition	56,382	-
	$15,255,858	**$1,367,689**

7. Funds held on behalf of the Province of British Columbia

At year-end the Corporation holds funds of $21,625,316 (1998 - $1,635,253) on behalf of the Province of British Columbia from the sales of Crown lands, which are not reported in these financial statements. These funds are paid to the Province on a quarterly basis. Interest earned on the funds is reported as income of the Corporation as authorized by the Delegation Agreement signed with the Province of British Columbia.

8. Leave liability

Leave liability earned for the duration of an employee's secondment from the Province of British Columbia is accrued by the Corporation. Leave liability earned while the employees were employed directly by the Province remains the responsibility of the government.

9. Related party transactions

The Corporation is related through common ownership to all Province of British Columbia ministries, agencies and Crown corporations. Transactions with these entities, unless disclosed separately, are generally considered to be in the normal course of operations and are recorded at the exchange amount.

The Corporation is economically dependent upon the Province to provide Crown land and major government assets to market and sell, and on the assignment of responsibility for administering Crown land tenures as a means of generating revenue.

10. Pension plan

The Corporation and its seconded employees contribute to the Public Service Pension Plan in accordance with the *Pension (Public Service) Act*. The plan is a defined benefit plan and is administered by the Superannuation Commission of the Province of British Columbia. The financial position of the Plan is described in the financial statements of the Plan included in the Public Accounts of the Province.

11. Contingent liabilities

The Corporation is the defendant in legal actions and it is not expected that the ultimate outcome of these claims will have a material effect on the financial position of the Corporation.

12. Commitments

The Corporation has entered into facilities leases for office space in Victoria and Vancouver expiring on various dates to 2005. Future minimum payments under these leases are as follows:

2000	$194,580
2001	194,580
2002	158,580
2003	122,580
2004	122,580
2005	61,290
Total	**$854,190**

13. Uncertainty due to the Year 2000 Issue

The Year 2000 Issue arises because many computerized systems use two digits rather than four to identify a year. Date-sensitive systems may recognize the Year 2000 as 1900 or some other date, resulting in errors when information using year 2000 is processed. In addition, similar problems may arise in some systems, which use certain dates in 1999 to represent something other than a date. The effects of the Year 2000 Issue may be experienced before, on, or after January 1, 2000, and, if not addressed, the impact on operations and financial reporting may range from minor errors to significant systems failure, which could affect an entity's ability to conduct normal business operations. While management has taken prudent action to mitigate the affects of the Year 2000 Issue, it is not possible to be certain that all aspects affecting the Corporation, including those related to the efforts of customers, suppliers, or third parties, will be fully resolved.

14. Comparative figures

Certain 1998 comparative figures have been reclassified to conform to the presentation adopted in the current year.

APPENDIX 1 - BOARD OF DIRECTORS

Lorne Seitz
Chair, President and Chief Executive Officer
British Columbia Assets and Land Corporation

Colin Smith
Vice Chair,
British Columbia Assets and Land Corporation

John Allan
Deputy Minister of Forests

Don Avison
Deputy Minister, Crown Corporations Secretariat

Cassie Doyle
Deputy Minister of Environment, Lands and Parks

Jack Ebbels
Deputy Minister of Energy and Mines

Charles Kang
Deputy Minister of Employment and Investment
and Ministry Responsible for Housing

Lawrie McFarlane
Secretary to Treasury Board

Blair Redlin
Deputy Minister of Transportation and Highways

Philip Steenkamp
Deputy Minister of Aboriginal Affairs

APPENDIX 2 - BRITISH COLUMBIA ASSETS AND LAND CORPORATION OFFICES

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Fax: (250) 787-3219

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Kamloops BC, V2C 3M1
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Fax: (250) 377-7000

Nanaimo
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Fax: (250) 751-3103

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Penticton, BC V2A 7K2
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Prince George, BC V2L 3H9
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Fax: (250) 565-6629

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Surrey, BC V3R 1E1
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Fax: (604) 586-4434

Surrey — Land Sales
Suite 302, 10428 - 153rd Street
Surrey, BC V3R 1E1
Tel: (604) 586-2882
Fax: (604) 586-2900

Vancouver Island — Land Sales
PO Box 9476 STN PROV GOVT
Victoria, BC V8W 9W6
Tel: (250) 952-6246
Fax: (250) 952-6237

Williams Lake
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